GLOBAL
Diving & Salvage Incorporated

October 13, 2010

USCG, Port Washington Narrows Pipe Response

Attn: MST2 Kevin Mallick

RE: Property Line Plug and Upland Tracing Plans

Mr. Mallick:

Thank you for the opportunity in planning for the continued work on stopping further product movement from the pipe located on the Port Washington Narrows. Our first hand knowledge with the site and situation along with our experience with projects including those that require intensive health and safety programs, soil remediation and marine operations puts Global in a perfect position to accomplish the following work plans. We intend to bring our experienced crew, specialized equipment, and specialized subcontractors to get this project done quickly understanding the pipe's impact on the environment.

Operational Plan, Plugging at the Property Line:

Health and Safety

Global will provide a Site Safety and Health plan that encompasses the special needs involved in a project of this scope dealing with vastly different work environments and possible contamination. All workers on site will be 40 hour Hazwoper trained if they are working in zones with contamination.

Safety briefings will be held every day before operations to include discussions of the day's upcoming activities. Daily field activity reports will summarize operations and include manifests for outgoing solid and liquid waste.

Mobilization to the Port Washington Narrows

Global will mobilize a two man crew aboard the M/V Prudhoe Bay from Seattle to the work area in Bremerton. One equipment operators will be used load a small excavator on the deck to simultaneously act as a deckhand and lower the time needed on site. A second crew with Global's Environmental Response Trailer will drive to the site in

support of the marine crew. Global anticipates being on site for one low tide cycle to complete the work.

Equipment needed for the project will include the M/V Prudhoe Bay, a Global truck with response trailer, a small excavator for soil removal and a vacuum truck to skim product from the water coming from the pipe till the plug can be placed.

Operations

Upon arrival onsite, the M/V Prudhoe Bay will discharge the excavator to the beach and secure to wait out the entire low tide cycle. The excavator will dig a trench at the approximate pipe crossing area per the range markers set in the tidal zone. A safe working area around the pipe at the property line will be created using proper trenching techniques while the vacuum truck stands by to skim any possible releases during operations. An access hole will be drilled through the pipe to assess the pressure and contents with a Roto-hammer prior to removing a section. If the flow rate and contents are reasonable and as expected, one section of pipe will be removed by the excavator and secured for disposal in plastic sheeting. An expandable plug will be used to stop water flow at the pipe end in either a mechanical or inflatable manner. The interior of the pipe end will be cleaned and prepared for fast setting cement to be set behind the plug to ensure product will not seep into the excavation. After setting, stone ballast will be set outside of the plug to protect the concrete. The pipe end will be backfilled and marked as directed. The excavator will board the M/V Prudhoe Bay and the bucket will be properly decontaminated during the trip to Seattle. The pipe section and decon materials will be properly disposed of after securing the M/V Prudhoe Bay.

Approximate costs associated with this plan: $16,750.00. Costs associated with waste disposal are not included, as full analytical was unavailable prior to this written proposal.

Operational Plan, Find and Secure Upland Source of Pipe:

Health and Safety

Again, Global will provide a Site Safety and Health plan that encompasses the special needs involved in a project of this scope dealing with vastly different work environments and possible contamination. All workers on site will be 40 hour Hazwoper trained if they are working in zones with contamination.

Safety briefings will be held every day before operations to include discussions of the day's upcoming activities. Daily field activity reports will summarize operations and include manifests for outgoing solid and liquid waste.

Mobilization to the Port Washington Narrows

Global will mobilize a crew with the Environmental Response Trailer to the upland site with approval for access to the private property. Global will assist the technicians of Golder Associates with Ground Penetrating Radar, Magnetic and Electro-magnetic detection devices to follow the pipe up from the tidal zone. An excavator will be onsite to uncover finds and will be supported by a vacuum truck and decontamination equipment when product is encountered. It is anticipated to take one entire day to trace the line to the upland area and another partial day to uncover a possible vault or cistern when discovered.

Equipment needed for the project will include a Global truck with response trailer, a small excavator for soil removal and a vacuum truck to remove possible product and assist in decontamination procedures. Golder Associates will have their own specialized equipment and vehicles to find the underground utility pipes.

Operations

Upon arrival onsite, Global will assist in moving equipment to the beach area to help the Golder Associates crew pick up the pipe path and follow it up the embankment to the upland private property. Fall protection equipment and procedures will be followed while working along the slope when it exceeds protection thresholds. Access to the private property will be prearranged by the Agencies involved.

If the pipe is detected and followed to an area of interest, the excavator will dig a trench at the approximate pipe crossing area or possible vault per direction of the USCG. Further remediation, waste removal or plugging will be evaluated dependent on what is uncovered and will be done only on direction of the USCG. Open excavations will be backfilled or secured with high visibility fencing as needed. Pipe plugging operations, if ordered, will follow the same procedure as the water access plan previously described. The excavator will be completely decontaminated before being hauled offsite, and any waste leaving the site will properly disposed of at appropriate waste handling facilities.

Approximate costs associated with this plan: $14,500.00. Costs associated with waste disposal are not included, as full analytical was unavailable prior to this written proposal.

Global crews make safety the priority on every project and our personnel have over 25 years experience on specialty projects of this nature. Global cannot be responsible for the possible results of blocking the concrete pipe in question, and there is no guarantee we will be able to find the pipe's starting point upland on the private property. We are able to respond nearly immediately, but as much lead time as possible would be appreciated for mobilizing our larger vessels or procuring specialized pipeline plugs. For proper disposal Global will need the complete analytical results of the test samples taken on site.

We look forward to working with you again and please call if you have any questions or concerns regarding our capabilities or the approach presented in this proposal.

Best regards,

Kristofer Lindberg
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